

MONTHLY UPDATE

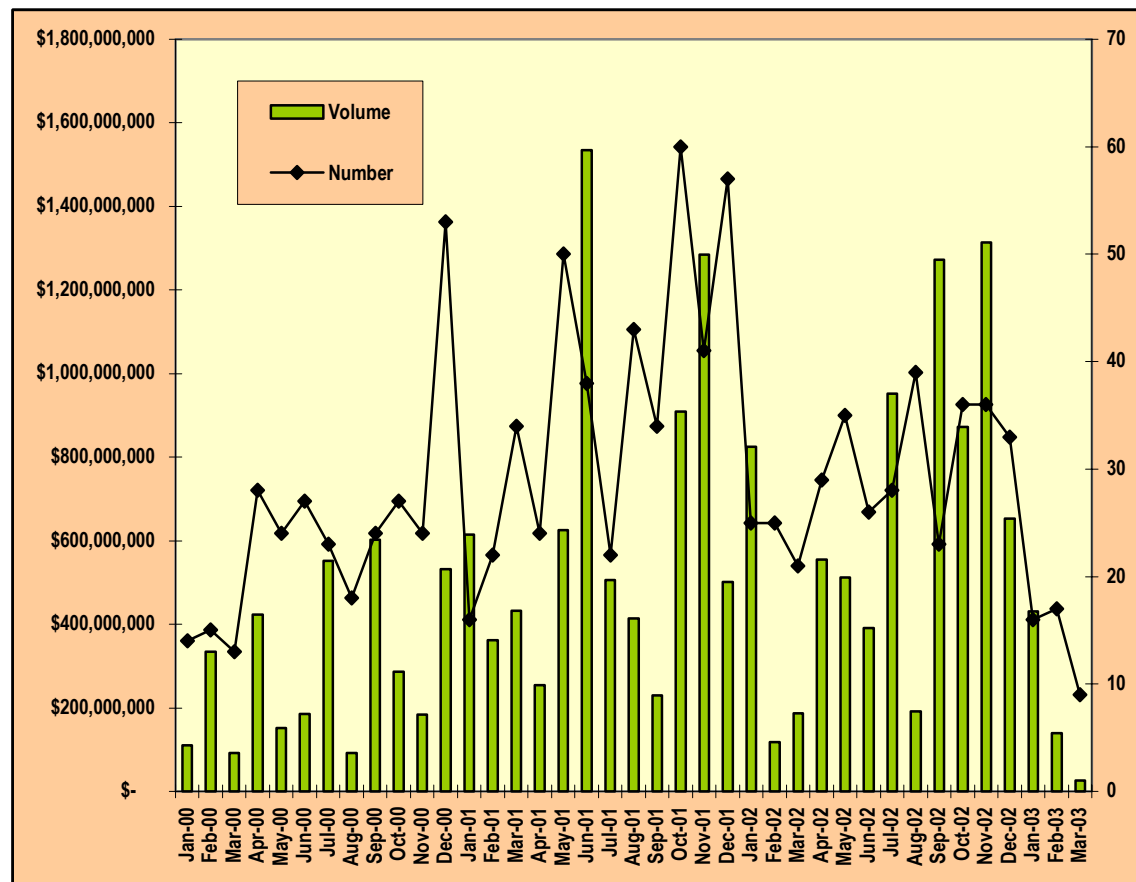
MARCH 2003 -- VOL. 11, No. 3 -- WASHINGTON STATE DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT -- BOND USERS CLEARINGHOUSE

Issues by sale date, 2000-2003

Recent growth in debt issues may be leveling off. The total par value of all activity in CY 2002 edged up only 2 percent from 2001, and the number of issues dropped off almost 20 percent. The accompanying chart offers a breakdown of activity by month.

These totals are different than those found in last month's front-page chart and our *2002 Annual Report* because they are based on an issue's sales date rather than when it is reported to the Bond Users Clearinghouse, which has been our traditional method of data analysis. The sales date can provide a *somewhat* more current reading of market conditions, e.g., in March 2003 we received reports that were as much as six months late.

Friendly reminder: *State law requires debt issuers to file a report within 20 days of issuance. See back page for details.*



Issues reported in March to the Bond Users Clearinghouse, ranked by par value

Sequence Number	Issuer Name	Debt Type	Par Value	Sale Date	Maturity Date	Net Interest Cost	Purpose Type	New /Refund/ Combo	Sale Type	Gross UW Spread	Gross UW Spread Total	Bond Counsel Fee
8393	City of Seattle	GO Bonds	\$ 60,855,000	2/5/2003	8/1/2023	3.630065%	General Govt	Combo	Comp Bid			
8373	PUD No. 2 of Grant County	Revenue Bonds	\$ 20,465,000	1/31/2003	1/1/2035	4.721492%	Energy/Power	New	Neg Sale		\$358,378	\$67,315
8375	PUD No. 2 of Grant County	Revenue Bonds	\$ 20,135,000	1/31/2003	1/1/2021	5.391774%	Energy/Power	New	Neg Sale			
8372	PUD No. 2 of Grant County	Revenue Bonds	\$ 18,450,000	1/31/2003	1/1/2014	5.517692%	Energy/Power	New	Neg Sale			
8397	PUD No. 1 of Benton County	Revenue Bonds	\$ 17,305,000	11/12/2002	11/1/2022	4.573916%	Energy/Power	New	Comp Bids	\$7.75	\$134,133	\$32,000
8374	PUD No. 2 of Grant County	Revenue Bonds	\$ 16,680,000	1/31/2003	1/1/2035	5.047446%	Energy/Power	New	Neg Sale			
8371	PUD No. 2 of Grant County	Revenue Bonds	\$ 12,840,000	1/31/2003	1/1/2021	4.425989%	Energy/Power	New	Neg Sale		\$193,957	\$41,685
8398	North Thurston School Dist. 3	GO Bonds	\$ 12,770,000	9/23/2002	12/1/2013	3.2713%	Schools (K-12)	New	Comp Bids			\$22,000
8380	Lewis County	GO Bonds	\$ 12,270,000	2/10/2003	12/1/2027	Not Rprtd	Public Facilities	New	Compet bids			
8391	Housing Authority, Seattle	Revenue Notes	\$ 10,000,000	11/18/2002	11/18/2005	Variable	Housing	New	Neg Sale			
8394	Sumner School Dist. No. 320	GO Bonds	\$ 10,000,000	1/22/2003	6/1/2022	4.367273%	Schools (K-12)	New	Neg Sale	\$7.30	\$73,000	
8386	WA Housing Finance Com.	Revenue Bonds	\$ 8,500,000	3/11/2003	3/1/2028	Variable	Housing	Combo	Neg Sale	\$4.75	\$40,375	\$36,750
8388	Pierce County	GO Bonds	\$ 8,318,611	2/18/2003	12/1/2014	3.48%	General Govt	Refund	Priv Plcmnt			\$22,500
8384	City of Tacoma	GO Bonds	\$ 7,000,000	1/28/2003	1/28/2015	Variable	General Govt	New	Priv Plcmnt			
8392	State of Washington	Cert of Part	\$ 6,420,000	3/4/2003	1/1/2015	2.930244%	General Govt	New	Comp bids			\$10,500
8377	City of Puyallup	GO Bonds	\$ 4,600,000	2/24/2003	3/1/2018	3.85%	Public Facilities	New	Priv Plcmnt			
8379	Bremerton Schl. Dist. 100-C	GO Bonds	\$ 4,480,000	8/15/2002	12/1/2005	2.26935%	Schools (K-12)	Refund	Neg Sale	\$7.69	\$34,451	\$9,000
8389	Kitsap Cnty. Housing Auth.	Revenue Notes	\$ 4,348,000	2/18/2003	2/18/2006	Variable	General Govt	New	Priv Plcmnt			
8369	City of Sultan	LID Bonds	\$ 3,691,618	2/4/2003	2/15/2023	5.21%	Other	Refund	Neg Sale	\$13.10	\$48,360	\$14,500
8368	Port of Chehalis	Revenue Bonds	\$ 3,200,000	3/7/2003	12/1/2024	Variable	Industrial Dev	New	Neg Sale	\$10.00	\$32,000	\$18,000
8381	Public Hospital Dist. No. 1	GO Bonds	\$ 2,800,000	2/4/2003	12/1/2010	4.61%	Hospital/Health	New	Priv Plcmnt			
8370	University Place Schl. Dist. 83	GO Bonds	\$ 2,150,000	8/28/2002	12/1/2007	3.29197%	Schools (K-12)	Refund	Priv Plcmnt	\$8.44	\$18,145	\$5,200
8378	Centralia School Dist. 401	GO Bonds	\$ 1,935,000	8/21/2002	12/1/2005	2.298175%	Schools (K-12)	Refund	Neg Sale	\$7.80	\$15,093	\$5,670
8376	City of Ellensburg	GO Bonds	\$ 1,905,000	2/26/2003	12/1/2022	4.062253%	Public Facilities	New	Neg Sale	\$7.50	\$14,288	
8385	Snohomish School Dist. 201	GO Bonds	\$ 800,000	2/26/2003	12/1/2004	1.80%	Schools (K-12)	New	Priv Plcmnt			
8395	Asotin County	GO Bonds	\$ 720,000	3/17/2003	12/1/2027	5.26%	Public Facilities	New	Neg Sale	\$14.58	\$10,800	
8382	Port of Benton	GO Bonds	\$ 700,000	10/22/2003	12/1/2006	3.206340%	Ports/Marinas	Refund	Neg Sale	\$8.89	\$6,223	
8383	Port of Benton	GO Bonds	\$ 630,000	10/22/2003	12/1/2004	3.370733%	Ports/Marinas	Refund	Neg Sale	\$11.24	\$7,081	
8387	WA Housing Finance Com.	Revenue Bonds	\$ 600,000	3/4/2003	3/1/2018	5.24%	Housing	Refund	Priv Plcmnt			\$5,475
8399	City of Colville	LID Bonds	\$ 351,812	2/25/2003	3/15/2020	4.8206%	Streets/Roads	New	Neg Sale	\$15.08	\$5,307	
8390	Public Hospital Dist. No. 1	Tax Ant Notes	\$ 270,000	2/27/2003	6/1/2004	3.75%	General Govt	New	Neg Sale			
8396	South Pierce Fire & Rescue	GO Bonds	\$ 101,000	3/7/2003	6/1/2013	4.59%	Fire Protection	New	Priv Plcmnt			

THE FOLLOWING LIST identifies bond issuances reported to the Department of Community, Trade and Economic Development in the last month. Reporting of bond issuances is voluntary and this list is not exhaustive. If you have any comments or questions about these issuances or the Bond Users Clearinghouse program, please contact Steve Salmi at 360/725-3021 or steves@cted.wa.gov.

Issue No.	Par Value Bond Counsel Gross Underwriter Spread / \$1,000 Gross UW Spread Total	Issue Debt Type Issuer Type Principal User	Interest Rate* Rating(s): Standard/Poor's Moody's Other	Sale Type New/Refund/ Combo Sale Date Maturity Date	Bond Counsel Lead Underwriter Financial Advisor Insurer	Voter Approved? Underlying Security	Purpose
* Interest Rate = Net Interest Rate as Reported							
8368	\$3,200,000 \$18,000 \$10.00 \$32,000.00 \$32,000.00	Port of Chehalis Revenue Bonds Port District JLT Holding LLP	Variable No Rating No Rating No Rating No Rating	Neg Sale New 3/7/2003 12/1/2024 12/1/2024	Preston Gates & Ellis LLP McDonald Investments Inc.	No KeyBank letter of credit	Funds will be loaned to JLT Holding to build an emergency-vehicle manufacturing facility.
8369	\$3,691,618 \$14,500 \$13.10 \$48,360.20	City of Sultan LID Bonds City/Town Same	5.21% No Rating No Rating No Rating	Neg Sale Refund 2/4/2003 2/15/2023	Foster Pepper & Shefelman Banc of America Securities LLC	No LID No. 97-1 assessment funds	Retire a note that provided interim financing for LID project.
8370	\$2,150,000 \$5,200 \$8.44 \$18,145.00	University Place School Dist. No. 83 GO Bonds School District Same	3.29197% No Rating No Rating No Rating	Private Plcmnt Refund 8/28/2002 12/1/2007	Preston Gates & Ellis LLP Bank of America WA St Sch Dist Credit Program	No Taxes	Refund certain outstanding bonds of the district.
8371	\$12,840,000 \$41,685 \$193,957.23	PUD No. 2 of Grant County Revenue Bonds Public Utility District Same	4.425989% AAA Aaa Fitch: AAA	Neg Sale New 1/31/2003 1/1/2021	Preston Gates & Ellis LLP Salomon Smith Barney Seattle-Northwest Securities MBIA	No Revenue from Priest Rapids hyrdo development	Provide funds to obtain a new license for Priest Rapids hydro development.
8372	\$18,450,000 \$0	PUD No. 2 of Grant County Revenue Bonds Public Utility District Same	5.517692% AAA Aaa Fitch: AAA	Neg Sale New 1/31/2003 1/1/2014	Preston Gates & Ellis LLP Salomon Smith Barney Seattle-Northwest Securities MBIA	No Revenue of Priest Rapids hydro development	Provide funds to obtain new license for Priest Rapids hydro development

8373	\$20,465,000 \$67,315 \$358,378.30	PUD No. 2 of Grant County Revenue Bonds Public Utility District Same	4.721492% AAA Aaa Fitch: AAA	Neg Sale New 1/31/2003 1/1/2035	Preston Gates & Ellis LLP Salomon Smith Barney Seattle-Northwest Securities MBIA	No Revenue from Wanapum hydro development	Wanapum capital improvements and relicensing costs.
8374	\$16,680,000 \$0 \$0.00	PUD No. 2 of Grant County Revenue Bonds Public Utility District Same	5.047446% AAA Aaa Fitch: AAA	Neg Sale New 1/31/2003 1/1/2035	Preston Gates & Ellis LLP Salomon Smith Barney Seattle-Northwest Securities MBIA	No Revenue from the Wanapum hydro development	Wanapum capital improvements and paying relicensing costs.
8375	\$20,135,000 \$0 \$0.00	PUD No. 2 of Grant County Revenue Bonds Public Utility District Same	5.391774% AAA Aaa Fitch: AAA	Neg Sale New 1/31/2003 1/1/2021	Preston Gates & Ellis LLP Salomon Smith Barney Seattle-Northwest Securities MBIA	No Revenue from the Wanapum hydro development	Wanapum capital improvements and relicensing costs.
8376	\$1,905,000 \$0 \$7.50 \$14,287.50	City of Ellensburg GO Bonds City/Town Same	4.062253% AAA, insured No Rating No Rating	Neg Sale New 2/26/2003 12/1/2022	Foster Pepper & Shefelman Seattle-Northwest Securities MBIA	Yes Ad valorem taxes	Remodel library and community center.
8377	\$4,600,000 \$0 \$0.00	City of Puyallup GO Bonds City/Town Same	3.85% No Rating No Rating No Rating	Private Plcmnt New 2/24/2003 3/1/2018	Foster Pepper & Shefelman Bank of America	No Taxes	Land acquisition and construction of community marketplace.
8378	\$1,935,000 \$5,670 \$7.80 \$15,093.00	Centralia School Dist. No. 401 GO Bonds School District Same	2.298175% No Rating Aa1 No Rating	Neg Sale Refund 8/21/2002 12/1/2005	Preston Gates & Ellis LLP Seattle-Northwest Securities WA St Sch Dist Credit Program	No Taxes	Refund outstanding bonds of district.
8379	\$4,480,000 \$9,000 \$7.69 \$34,451.20	Bremerton School Dist. No. 100-C GO Bonds School District Same	2.26935% No Rating Aa1 No Rating	Neg Sale Refund 8/15/2002 12/1/2005	Preston Gates & Ellis LLP Seattle-Northwest Securities Yeasting & Associates WA St Sch Dist Credit Program	No Taxes	Refund outstanding bonds of the district.

8380	\$12,270,000 \$0 \$0.00 \$0.00	Lewis County GO Bonds County Same	Not Rprtd No Rating Aaa/A3 No Rating No Rating	Compet bids New 2/10/2003 12/1/2027 12/1/2027	Lukins & Annis, P.S. Susan D. Musselman Inc.	No Property taxes	Acquire, construct and install capital improvements to county public safety facilities.
8381	\$2,800,000 \$0 \$0.00	Public Hospital Dist. No. 1 GO Bonds Hospital District Same	4.61% No Rating No Rating No Rating	Private Plcmnt New 2/4/2003 12/1/2010	Foster Pepper & Shefelman Cashmere Valley Bank	No Taxes	Acquire an assisted living facility.
8382	\$700,000 \$0 \$8.89 \$6,223.00	Port of Benton GO Bonds Port District Same	3.206340% No Rating A3 No Rating	Neg Sale Refund 10/22/2003 12/1/2006	Foster Pepper & Shefelman Seattle-Northwest Securities A.Dashen & Associates	No Taxes	Refund callable portion of the port's 1991 and 1992 GO bonds.
8383	\$630,000 \$0 \$11.24 \$7,081.20	Port of Benton GO Bonds Port District Same	3.370733% No Rating A3 No Rating	Neg Sale Refund 10/22/2003 12/1/2004	Foster Pepper & Shefelman Seattle-Northwest Securities A.Dashen & Associates	No Taxes	Refund callable portion of the port's 1991 and 1992 GO bonds.
8384	\$7,000,000 \$0 \$0.00	City of Tacoma GO Bonds City/Town Same	Variable No Rating No Rating No Rating	Private Plcmnt New 1/28/2003 1/28/2015	Foster Pepper & Shefelman Purchased by city	No Taxes	Finance acquisition of business system improvements.
8385	\$800,000 \$0 \$0.00	Snohomish School Dist. No. 201 GO Bonds School District Same	1.80% No Rating No Rating No Rating	Private Plcmnt New 2/26/2003 12/1/2004	Foster Pepper & Shefelman Skagit State Bank	No Taxes	To acquire school buses.
8386	\$8,500,000 \$36,750 \$4.75 \$40,375.00	WA State Housing Finance Revenue Bonds State United Way, King Ctny	Variable No Rating No Rating Fitch: AA/F1+	Neg Sale Combo 3/11/2003 3/1/2028	Preston Gates & Ellis LLP Banc of America Securities LLC Leora Consulting Group LLC Bank of America, N.A.	No Letter of credit with Bank of America	Repay taxable debt, and construct, rehabilitate a Seattle office building.

8387	\$600,000 \$5,475 \$0.00	WA State Housing Finance Com. Revenue Bonds State Interaction Transition	5.24% No Rating No Rating No Rating	Private Plcmnt Refund 3/4/2003 3/1/2018	Preston Gates & Ellis LLP	No Private placement with HomeStreet Bank	Refinance a loan for a transitional housing project in Seattle.
8388	\$8,318,611 \$22,500	Pierce County GO Bonds County Same	3.48% No Rating No Rating No Rating	Private Plcmnt Refund 2/18/2003 12/1/2014	Foster Pepper & Shefelman Bank of America, N.A. Banc of America	No Taxes	Refund the county's outstanding 1994 GO bonds.
8389	\$4,348,000 \$0 \$0.00	Kitsap Cnty Consolidated Housing Revenue Notes Housing Authority Same	Variable No Rating No Rating No Rating	Private Plcmnt New 2/18/2003 2/18/2006	Foster Pepper & Shefelman Bank of America	No General revenues of the Housing Authority	Interim financing for construction of part of Bremerton Government Center.
8390	\$270,000 \$0 \$0.00 \$0.00	Public Hospital Dist. No. 1 Tax Anticipation Notes Hospital District Same	3.75% No Rating No Rating No Rating No Rating	Neg Sale New 2/27/2003 6/1/2004 6/1/2004	Foster Pepper & Shefelman Bank of America, N.A.	No Special excess property taxes	Pay a portion of district's 2003 general fund expenses pending receipt of special taxes.
8391	\$10,000,000 \$0 \$0.00 \$0.00	Housing Authority of the City of Revenue Notes Housing Authority Same	Variable No Rating No Rating No Rating No Rating	Neg Sale New 11/18/2002 11/18/2005 11/18/2005	Foster Pepper & Shefelman bank of America, N.A.	No Housing authority revenues	Provide financing for infrastructure improvements at Hope VI development sites.
8392	\$6,420,000 \$10,500 \$0.00	State of Washington Certificate of Participation State State and local agencies	2.930244% No Rating Aaa No Rating	Comp bids New 3/4/2003 1/1/2015	Foster Pepper & Shefelman UBS PaineWebber Inc. Susan D. Musselman Inc. AMBAC	No Agency installment payments	Equipment for various state and local agencies.
8393	\$60,855,000 \$0 \$0.00	City of Seattle GO Bonds City/Town Same	3.630065% AAA Aa1 Fitch: AA+	Comp Bid Combo 2/5/2003 8/1/2023	Foster Pepper & Shefelman J.P. Morgan Securities Inc. Seattle-Northwest Securities	No Taxes	Provide funds for part of various projects and to refund certain outstanding bonds.

8394	\$10,000,000 \$0 \$7.30 \$73,000.00 \$73,000.00	Sumner School Dist. No. 320 GO Bonds School District Same	4.367273% No Rating A2 No Rating No Rating	Neg Sale New 1/22/2003 6/1/2022 6/1/2022	Foster Pepper & Shefelman Seattle-Northwest Securities FGIC FGIC	Yes Taxes	Finance the costs of modernizing school facilities and acquiring communications technology.
8395	\$720,000 \$0 \$14.58 \$10,800.00 \$10,800.00	Asotin County GO Bonds County Same	5.26% No Rating Aaa No Rating No Rating	Neg Sale New 3/17/2003 12/1/2027 12/1/2027	Foster Pepper & Shefelman D.A. Davidson & Co.	Yes Ad valorem taxes	Pay a portion of costs of acquiring, constructing and equipping an aquatics center.
8396	\$101,000 \$0 \$0.00	South Pierce Fire & Rescue GO Bonds Fire District Same	4.59% No Rating No Rating No Rating	Private Plcmnt New 3/7/2003 6/1/2013	Snure & Regimbald Cashmere Valley Bank	No Taxes	Purchase real estate.
8397	\$17,305,000 \$32,000 \$7.75 \$134,133.21	PUD No. 1 of Benton County Revenue Bonds Public Utility District Same	4.573916% AAA Aaa No Rating	Comp Bids New 11/12/2002 11/1/2022	Preston Gates & Ellis LLP Salomon Smith Barney Seattle-Northwest Securities MBIA	Yes Revenue from electric system	Make capital improvements to the electric system.
8398	\$12,770,000 \$22,000 \$0.00	North Thurston School Dist. No. 3 GO Bonds School District Same	3.2713% AA+ Aa1 No Rating	Comp Bids New 9/23/2002 12/1/2013	Preston Gates & Ellis LLP ABN AMRO Financial Services Sound Finance Group, Inc. WA St Sch Dist Credit Program	Yes Taxes	Certain capital improvements.
8399	\$351,812 \$0 \$15.08 \$5,306.58	City of Colville LID Bonds City/Town Same	4.8206% No Rating No Rating No Rating	Neg Sale New 2/25/2003 3/15/2020	Lukins & Annis, P.S. D.A. Davidson & Co.	No Special LID assessments	To acquire, construct and install improvements in city street facilities.

Notes on report categories

Principal User. In some cases the principal user will not be the issuer. An example of this arrangement is one in which a state agency (the issuer) issues a bond for a local government body (the principal user).

Debt Type. Abbreviations include Com. Paper (commercial paper), GO Bonds (general obligation), LID Bonds (local improvement district), Rev. Bonds (revenue), Tax Ant. Notes (tax anticipation notes).

Voter Approved? This designates whether the bond issue was approved by a three-fifths vote of the electorate.

Par Value. This is the amount of the principal or aggregate face value of the issue.

Sale date. This is the date of the bond sale. For a competitive offering it is the date of the bid opening. The date of sale for a negotiated offer or a private placement is the date of the signing of the bond purchase agreement.

Interest rate. This is the reported net interest rate, and is calculated with the following formula:

$$\frac{\text{Aggregate Interest Payable (+Discount -Premium)}}{\text{Par Value of Issue} \times \text{Average Life}}$$

Sale Type. There are five categories: Neg Sale (negotiated sale), Comp Bids (competitive bids), Private Plcmnt (private placement), Mini (mini bonds), and NR (not reported). Competitive bids (sometimes called a public sale) are open to any underwriter. A negotiated sale is arranged with an individual underwriter. A private placement is a direct sale to one or more investors, and is not reoffered to the public.

Maturity date. For issuances that have multiple offerings, the date listed is the one farthest into the future.

New/Refund/Combo. This designates whether the issue is original, is intended to refinance existing debt, or is a combination of the two.

Gross underwriting spread. This is the difference between the amount paid to the issuer for the bonds and the amount expected to be yielded when the bonds are resold on the secondary market. The report lists the spread per thousand and/or the total spread.

Reporting bond issues: The legal requirements

Chapter 39.44 RCW requires information on newly issued bonds to be supplied to the Department of Community, Trade and Economic Development (CTED) within 20 days of issuance. The underwriter submits information on a "Bond 101" report form provided by CTED.

In cases where an issue is made without an underwriter, the issuer or its representative supplies the information. The issuer may opt to have an agent, such as an underwriter or bond attorney, complete the form or appropriate portions thereof.

For issues that the state fiscal agency registers, the state fiscal agency submits this form, with the issuer supplying necessary information. A summary of the collected information is published here in the *Municipal Bonds Monthly Update*.

The following agencies have the responsibility of completing reports:

- A state fiscal agency, when it acts as bond registrar for an issue (with local governments supplying all necessary information);
- Local governments issuing debt for whom the state fiscal agency is not the bond registrar;
- State agencies issuing bonds (although, in this case, bond information is requested, not required).

For more details, contact the Bond Users Clearinghouse.

E-mail is faster!

The e-mail edition of the newsletter doesn't need to be printed and snail mailed, so you'll receive it up to two weeks earlier than the print edition. Switch to e-mail by contacting Steve Salmi at steves@cted.wa.gov.

Municipal Bonds is published by the Bond Users Clearinghouse, Washington State Dept. of Community, Trade and Economic Development (CTED), 906 Columbia Street SW, PO Box 48350, Olympia WA 98504-8350

The mission of the Bond Users Clearinghouse is to provide up-to-date information about debt issuances within the state of Washington. The *Municipal Bonds* newsletter began publishing monthly in 1992, and is available at no charge in either a print or e-mail edition. The data is also available in Microsoft Access and Excel formats.

Municipal Bonds summarizes debt issuance information submitted to CTED. We cannot guarantee full compliance with state reporting requirements, so the listings may not be exhaustive.

For more information, contact *Municipal Bonds* editor Steve Salmi at 360/725-3021 or steves@cted.wa.gov.